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Service, Inc., Debtor and Debtor-In-Possession

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re:

THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC.,

Debtor and Debtor-In-Possession.

Case No. 8:24-bk-12674-TA

Chapter 11

**MOTION FOR AUTHORITY TO
ESTABLISH PROCEDURES FOR
INTERIM COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF
PROFESSIONALS; MEMORANDUM OF
POINTS AND AUTHORITIES; AND
DECLARATION OF BRIAN WEISS IN
SUPPORT THEREOF**

[No Hearing Required Pursuant to Local
Bankruptcy Rule 9013-1(o)]

**TO THE HONORABLE THEODOR C. ALBERT, UNITED STATES BANKRUPTCY
JUDGE:**

The Original Mowbray's Tree Service, Inc., the debtor and debtor-in-possession in the
above-captioned case (the "**Debtor**"), moves this Court pursuant to §§ 105(a) and 331 of title 11
of the United States Code (the "**Bankruptcy Code**") and Rule 2016 of the Federal Rules of
Bankruptcy Procedure (the "**Bankruptcy Rules**") for entry of an order, substantially in the form
attached hereto as **Exhibit A**, authorizing the Debtor to establish an orderly and regular process
for interim and monthly allowance and payment of compensation and reimbursement of expenses

1 for professionals whose services are authorized by this Court pursuant to §§ 327 or 1103 of the
2 Bankruptcy Code, and who will be required to file applications for allowance of compensation and
3 reimbursement of expenses pursuant to §§ 330 and 331 of the Bankruptcy Code and Bankruptcy
4 Rule 2016(a). In support of the Motion, the Debtor submits the following memorandum of points
5 and authorities and the attached declaration of Brian Weiss ("**Weiss Declaration**"), and
6 respectfully submits as follows.

7
8 **I. INTRODUCTION**

9 By this Motion, the Debtor seeks entry of an order authorizing procedures for the monthly
10 payment of budgeted professionals on an interim basis. The Debtor believes that the proposed
11 procedures will streamline the administration of this chapter 11 case by allowing for the efficient
12 tracking and management of fees and expenses, which will help monitor and control costs. The
13 proposed procedures will not prejudice the rights of creditors or any party in interest as they
14 explicitly preserve the right to object to any professional's fees or expenses, and make clear that
15 interim payments are subject to final review by the Court. Furthermore, the proposed procedures
16 are consistent with the Debtor's use of cash collateral, as authorized by the Court. The Debtor's
17 stipulation authorizing the use of cash collateral and the Court-approved budgets contemplate the
18 ongoing payment of professional fees within the budgeted amounts. Accordingly, the Debtor
19 requests that the Court grant the Motion.

20
21 **II. BACKGROUND**

22 On October 18, 2024 (the "**Petition Date**"), the Debtor filed a voluntary petition for relief
23 under chapter 11 of the Bankruptcy Code commencing the above-captioned chapter 11 case (the
24 "**Chapter 11 Case**" or "**Case**"). The Debtor is operating as debtor in possession pursuant to §§
25 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or
26 examiner has been made in this Case and no official committees have been appointed or
27 designated.

1 Established in 1972 by Gloria and John Mowbray (the "**Founders**"), Mowbray's has been a
2 cornerstone in California for providing vegetation management services for over 50 years.
3 Mowbray's began as a modest venture and has grown into a resilient company, dedicated to
4 safeguarding communities and the environment. Mowbray's continues to be a family owned and
5 operated business, is a member of WMBE (Women and Minority Business Enterprise), and is
6 committed to providing its client-partners with the safest and most efficient solution to their
7 vegetation management needs.

8 The services provided by the Debtor include, without limitation, manual and mechanical
9 clearing, integrated vegetation management, storm and emergency, right-of-way maintenance, and
10 high-hazard tree removal and crane services (collectively, "**Vegetation Management Services**").
11 Tree-trimming around power lines, clearing vegetation to prevent forest fires, removal of debris
12 and charred remains after major wildfires in California, and assisting with damage remediation in
13 response to hurricanes—these are the types of important services that the Debtor provides to the
14 communities in which it serves. Historically, utility companies have been the Debtor's primary
15 clients. The Debtor also provides services to governmental agencies and cooperatives.

16 The Debtor is based in California and provides Vegetation Management Services
17 throughout the state. The Debtor also provides services in Florida and North Carolina.

18 Prior to the Petition Date, the Debtor retained Brian Weiss of Force Ten Partners, LLC
19 ("**Force Ten**") as its Chief Restructuring Officer ("**CRO**") to lead the Debtor through its formal
20 restructuring process, including this Case.

21 Pursuant to the Court's orders granting the Debtor's *Motion for Entry of Interim and Final*
22 *Orders Authorizing Use of Cash Collateral* [Docket No. 5] (the "**Cash Collateral Motion**"), the
23 Debtor has been authorized to use cash collateral in accordance with the Court-approved budgets
24 subject to those orders. (See Docket Nos. 72, 162, 211, 244, and 256.) Those budgets included
25 amounts for professional fees. (See, e.g., Docket No. 256, Exs. 1 & 2.) In addition, on January
26 16, 2025, the Debtor filed a *Stipulation Authorizing Use of Cash Collateral* [Docket No. 255] (the
27 "**Stipulation**") with PNC Bank, N.A. The Stipulation was approved by the Court at a hearing on
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January 21, 2025. The Stipulation contemplates the payment of professional fees during the Cash Collateral Period (as defined in the Stipulation) in accordance with the subject budget. (*See* Stip. at 8, ¶ 9.a.) The Stipulation further provides for the creation of a segregated account for the funding of the budgeted professional fees. (*See id.* at ¶ 9.b.)

III. RETENTION OF PROFESSIONALS

Given the size and nature of this Chapter 11 Case, the Debtor requires the assistance of certain professionals to manage the Case efficiently and effectively. Accordingly, the Debtor has filed separate applications with the Court to employ and retain, including, without limitation, (i) Raines Feldman Littrell LLP ("**RFL**"), as general bankruptcy counsel, (ii) Force Ten, as its restructuring advisor and Brian Weiss as CRO, and (iii) Grobstein Teeple LLP ("**GT**"), as financial advisor (collectively, the "**Professionals**").

IV. PROPOSED COMPENSATION AND REIMBURSEMENT PROCEDURES

The Debtor believes that establishing orderly procedures to pay the Professionals will streamline the administration of this Chapter 11 Case and otherwise promote efficiency for the Court, the Office of the United States Trustee (the "**U.S. Trustee**"), and all parties in interest. A streamlined process for serving interim and monthly fee applications and notices thereof is in the best interest of the Debtor because it will facilitate efficient review of, and enable parties to more easily monitor, the Professionals' fees and expenses incurred in this Chapter 11 Case, while saving the Debtor unnecessary copying and mailing expenses, and allow the Debtor to manage its budget and financing needs. (Weiss Decl. at ¶ 3.) Accordingly, the Debtor proposes that the payment of compensation and reimbursement of expenses of the Professionals be structured as follows (the "**Interim Compensation Procedures**"):

- (a) On or before the 30th day of each calendar month, following the month for which compensation is sought, each Professional seeking interim allowance of its fees and expenses may file a monthly statement, which will include the relevant time entry and description and expense detail, with the Court for interim allowance of compensation for services rendered and reimbursement of expenses incurred during the preceding month (a "**Monthly Fee Statement**"). Professionals may submit the

first Monthly Fee Statement(s), covering the period from the Petition Date through January 31, 2025 (so long as no appeal of an order approving this Motion has been taken), on or after entry of an order granting this Motion.

(b) Each Professional shall serve a copy of such Monthly Fee Statement on the following parties (collectively, the "**Notice Parties**") with service via Notice of Electronic Filing shall being sufficient:

(1) The Debtor, c/o Raines Feldman Littrell LLP, 3200 Park Center Drive, Suite 250, Costa Mesa, California 92626 (Attn: Robert S. Marticello (rmarticello@raineslaw.com) and Brian Weiss (bweiss@force10partners.com));

(2) Counsel for the Debtor, Raines Feldman Littrell LLP, 3200 Park Center Drive, Suite 250, Costa Mesa, California 92626 (Attn: Robert S. Marticello (rmarticello@raineslaw.com));

(3) Office of the United States Trustee, 411 West Fourth St., Suite 7160, Santa Ana, CA 92701 (Attn: Queenie K Ng (queenie.k.ng@usdoj.gov)); and

(4) Counsel for PNC Bank, K&L Gates LLP, 10100 Santa Monica Blvd., 8th Floor, Los Angeles, CA 90067 (Attn: Michael B. Lubic (michael.lubic@klgates.com))

(c) Any Professional that fails to file a Monthly Fee Statement for a particular month or months may subsequently submit a consolidated Monthly Fee Statement that includes a request for compensation earned or expenses incurred during previous months. All Monthly Fee Statements will comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330* (the "**Fee Guidelines**").

(d) The deadline to object to any Monthly Fee Statement is 4:00 p.m. (prevailing Pacific Time) on the 10th day (or the next business day if such day is not a business day) following the date the Monthly Fee Statement is served (the "**Objection Deadline**").

(e) To object to a Professional's Monthly Fee Statement, the party must (i) file a written objection on or before the Objection Deadline and (ii) serve the objection upon the affected Professional and the Notice Parties on or before the Objection Deadline.

(f) Upon the expiration of the Objection Deadline, a Professional may file a declaration of service (a "**DOS**") with the Court with respect to any fees and expenses not subject to objection. The DOS must attest that (i) no timely written objection was served upon the Professional and Notice Parties on or before the Objection Deadline, and (ii) the declarant has checked the docket of the Case and no written objection was timely filed. After a Professional files a DOS, the Debtor will pay the Professional 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee

Statement that are not subject to an objection (subject to any restrictions related to use of cash collateral as authorized by the Court).

- (g) If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an objection and the parties are unable to reach a consensual resolution, the Professional may (i) request the Court approve the amounts subject to objection or (ii) forego payment of such amounts until the next hearing to consider interim or final fee applications, at which time the Court will adjudicate any unresolved objections.

Interim Fee Applications

- (h) At four-month intervals or such other intervals convenient to the Court, Professionals may file with the Court an application (an "**Interim Fee Application**") for interim approval and allowance of compensation and reimbursement of expenses sought by such Professional in its Monthly Fee Statements, including any holdbacks, filed during the preceding interim period (the "**Interim Fee Period**").

- (i) The Interim Fee Application will include a brief description identifying the following:

- (1) the Monthly Fee Statements that are the subject of the request;
- (2) the amount of fees and expenses requested;
- (3) the amount of fees and expenses paid to date or subject to an objection;
- (4) the deadline for parties to file objections to the Interim Fee Application ("**Additional Objections**"); and
- (5) any other information requested by the Court or required by the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, or the Fee Guidelines.

- (j) Additional Objections to any Interim Fee Application will be filed in accordance with the Local Bankruptcy Rules.

- (k) Each Professional will properly serve its Interim Fee Application and final fee application upon the Notice Parties. Each Professional will properly serve a notice of hearing on its Interim Fee Application and final fee application on all parties that have requested notice in this Chapter 11 Case pursuant to Bankruptcy Rule 2002. The Debtor may serve an omnibus notice of hearing on the Interim Fee Applications in lieu of separates notices of hearing. No further notice shall be necessary.

- (l) The Debtor may request that the Court schedule a hearing on Interim Fee Applications at least once every four months or at such other intervals as the Court deems appropriate. If no Objections are pending and no Additional Objections are timely filed, the Court may approve an Interim Fee Application without a hearing.

- 1 (m) A pending objection to compensation or reimbursement of any Professional does not
2 disqualify a Professional from future compensation or reimbursement.
- 3 (n) Any Professional that fails to file a Monthly Fee Statement or an Interim Fee
4 Application when permitted will not receive further interim compensation or
5 reimbursement until the Professional submits any outstanding Monthly Fee
6 Statements or such compensation is approved pursuant to an Interim Fee Application.
7 There are no other penalties for failing to file a Monthly Fee Statement or Interim
8 Fee Application.
- 9 (o) Neither (i) the payment of, or the failure to pay, in whole or in part, any interim
10 compensation and reimbursement to a Professional nor (ii) the filing of, or failure to
11 file an objection, will bind any party in interest or the Court with respect to the final
12 allowance of any compensation of fees for services rendered or reimbursement of
13 expenses incurred. All fees and expenses paid to Professionals under these Interim
14 Compensation Procedures are subject to disgorgement until final allowance by the
15 Court.
- 16 (p) No Professional may serve a Monthly Fee Statement or file an Interim Fee
17 Application until the Court enters an order approving the retention of such
18 Professional pursuant to §§ 327 or 1103 of the Bankruptcy Code.

19 **V. ARGUMENT**

20 Pursuant to § 331 of the Bankruptcy Code, all Professionals are entitled to submit
21 applications for interim compensation and reimbursement of expenses every one-hundred and
22 twenty (120) days, or more often if the Court permits. Section 331 of the Bankruptcy Code provides,
23 in part, as follows:

24 A trustee, an examiner, a debtor's attorney, or any professional
25 person employed under section 327 or 1103 of this title may apply
26 to the court not more than once every 120 days after an order for
27 relief in a case under this title, or more often if the court permits,
28 for such compensation for services rendered before the date of
such an application or reimbursement for expenses incurred
before such date as is provided under section 330 of this title.

11 U.S.C. § 331. Section 105(a) of the Bankruptcy Code authorizes the Court to issue any order
"that is necessary or appropriate to carry out the provisions" of the Bankruptcy Code. 11 U.S.C. §
105(a). Thus, the Court has ample authority to enter an order authorizing the Interim Compensation
Procedures requested herein.

Courts in this circuit have made it clear that monthly interim payments to professionals employed in large or complex chapter 11 cases are reasonable and appropriate. *See, e.g., In re Knudsen*, 84 B.R. 668, 672 (B.A.P. 9th Cir. 1988) ("[T]he Trustee ignores the problem, arising especially in large cases, that when counsel must wait an extended period for payment, counsel is essentially compelled to finance the reorganization. This result is improper and may discourage qualified practitioners from participating in bankruptcy cases; a result that is clearly contrary to Congressional intent."). *Knudsen* involved a liquidating chapter 11 case where administrative expenses were funded by a secured creditor. *See id.* at 669. In *Knudsen*, the Ninth Circuit Bankruptcy Appellant Panel identified four criteria to be applied in evaluating whether to adopt such a procedure:

1. The case is an unusually large one in which an exceptionally large amount of fees accrue each month;
2. The court is convinced that waiting an extended period for payment would place an undue hardship on counsel;
3. The court is satisfied that counsel can respond to any reassessment in one or more of the ways listed above; and
4. The fee retainer procedure is, itself, the subject of a noticed hearing prior to any payment thereunder.

Knudsen, supra, 84 B.R. at 672.

The size of this Chapter 11 Case and the amount of time and effort that will be required from the Professionals to effectuate a successful outcome justify approval of the Interim Compensation Procedures requested herein. This Chapter 11 Case is large. The Debtor commenced this Chapter 11 Case with approximately \$40 million in estimated scheduled liabilities, plus additional disputed, contingent, and unliquidated claims. (Weiss Decl. at ¶ 2; *see also* Docket No. 170 at 9.) The Debtor's operations are robust, currently involving 85 employees, substantial equipment, and operations spanning multiple states and both coasts. (Weiss Decl. at ¶ 2.) The Debtor is actively engaged in the process of developing a chapter 11 plan, which involves complex issues and requires significant professional services on a regular basis to ensure that the

1 plan is both feasible and in the best interests of all stakeholders. Moreover, similar to the facts in
2 *Knudsen*, the payments to the Professionals are to be funded from the approved use of cash
3 collateral of a secured creditor. Under the terms of the Stipulation and the budgets approved by
4 the Court, periodic distributions for ongoing professional services are and have been expressly
5 contemplated and will not result in any prejudice to creditors or parties in interest. (*See Stip.* at 8,
6 ¶ 9; *see also* Docket Nos. 72 and 256.) The Interim Compensation Procedures provide that any
7 amounts paid to the Professionals are subject to the limitations in the approved budgets.

8 The proposed Interim Compensation Procedures are necessary to ensure that Professionals
9 are fairly and timely compensated for their services in this Case and are not forced to bear undue
10 financial burden or risk caused by delays in payment. In addition, the proposed Interim
11 Compensation Procedures will enable the Debtor and other parties in interest to monitor the costs
12 of administration, forecast cash flows, and implement efficient cash management procedures and
13 budgeting. Absent streamlined compensation procedures, the professional fee application and
14 review process could be unduly burdensome on the Debtor, the Professionals, the Court, and other
15 parties, and/or could result in the accumulation of unbudgeted administrative expenses.
16 Accordingly, the Interim Compensation Procedures should be approved.

17
18 **VI. NOTICE**

19 Notice of this Motion will be provided to (i) the Office of the United States Trustee; (ii) the
20 Debtor's twenty largest unsecured creditors; (iii) counsel for PNC Bank; and (iv) those persons
21 who have formally appeared in this Chapter 11 Case and requested service pursuant to Bankruptcy
22 Rule 2002. No previous request for the relief sought herein has been made by the Debtor to this or
23 any other court. Based on the urgency of the circumstances surrounding this Motion and the
24 nature of the relief requested herein, the Debtor respectfully submits that no further notice is
25 required.

1 **VII. CONCLUSION**

2 **WHEREFORE**, the Debtor respectfully requests that the Court enter an order,
3 substantially in the form attached hereto as **Exhibit A**, and such other and further relief as the
4 Court may deem just and appropriate.

5
6 Respectfully submitted,

7 DATED: January 28, 2025

RAINES FELDMAN LITRELL LLP

8
9 By: /s/Robert S. Marticello

10 ROBERT S. MARTICELLO

11 Counsel to the Debtor and Debtor-In-Possession, The
12 Original Mowbray's Tree Service, Inc.

DECLARATION OF BRIAN WEISS

1
2 1. I am the Chief Restructuring Officer of The Original Mowbray's Tree Service, Inc.
3 ("Debtor"), the debtor and debtor in possession in the above-captioned chapter 11 case (the
4 "Case" or "Chapter 11 Case"). I know each of the following facts to be true of my own personal
5 knowledge, except as otherwise stated and, if called as a witness, I could and would competently
6 testify with respect thereto. I make this declaration in support of the *Motion for Authority to*
7 *Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*
8 (the "**Motion**"). Unless otherwise defined in this declaration, all terms defined in the Motion are
9 incorporated herein by this reference.

10 2. The Debtor's schedules list approximately \$40 million in estimated liabilities as of
11 the Petition Date, in addition to disputed, contingent, and unliquidated claims. The Debtor's
12 operations are robust, currently involving 85 employees, substantial equipment, and operations
13 spanning multiple states and both coasts. Given the size and complexity of this Case, the Debtor
14 requires the assistance of certain professionals to manage the Case efficiently and effectively. To
15 that end, the Debtor has filed separate applications with the Court to employ and retain, among
16 others, (i) Raines Feldman Littrell LLP, as general bankruptcy counsel, (ii) Force Ten Partners,
17 LLC, as its restructuring advisor and CRO, and (iii) Grobstein Teeple LLP, as financial advisor.

18 3. I believe that the Interim Compensation Procedures proposed in the Motion are
19 appropriate to ensure that the Professionals are fairly and timely compensated for their services in
20 this Case and are not forced to bear undue financial burden or risk caused by delays in payment.
21 The proposed Interim Compensation Procedures will allow the Debtor and other parties in interest
22 to monitor the costs of administration, forecast cash flows, and implement efficient cash
23 management procedures and budgeting. Absent such procedures, the professional fee application
24 and review process could become unduly burdensome on the Debtor, the Professionals, the Court,
25 and other parties in interest, leading to the accumulation of unbudgeted administrative expenses.

26 4. I believe that the Interim Compensation Procedures will not result in any prejudice
27 to creditors or other parties in interest. Pursuant to the Court's orders granting the Debtor's *Motion*
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1 motion, distributions for ongoing professional services are expressly included in the approved
2 budget.

3 I declare under penalty of perjury under the laws of the United States of America that the
4 foregoing is true and correct.

5 Executed on this _ 28 _ day of January, 2025, at _ Irvine _ , California.

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8 BRIAN WEISS
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EXHIBIT A
PROPOSED ORDER

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Counsel for The Original Mowbray's Tree
Service, Inc., Debtor and Debtor-In-Possession

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA DIVISION

In re:

THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC.,

Debtor and Debtor-In-Possession.

Case No. 8:24-bk-12674-TA

Chapter 11

**ORDER GRANTING MOTION FOR
AUTHORITY TO ESTABLISH
PROCEDURES FOR INTERIM
COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF
PROFESSIONALS**

**[No Hearing Required Pursuant to Local
Bankruptcy Rule 9013-1(o)]**

On January 28, 2025, The Original Mowbray's Tree Service, Inc., the debtor and debtor-in-possession in the above-captioned case (the "**Debtor**"), filed and served the *Motion for Authority to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. ●] (the "**Motion**") and notice of the Motion [Docket No. ●] (the "**Notice**").¹ No opposition to or request for a hearing on the Motion or Notice was filed or served. Having reviewed the Motion and Notice and papers filed in support thereof, service being proper, and good cause appearing therefrom; this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; this Court having found that this is a core proceeding pursuant to 28 U.S.C. §

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

1 157(b)(2); this Court having found that it may enter a final order consistent with Article III of the
2 United States Constitution; this Court having found that venue of this proceeding and the Motion
3 in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; this Court having found that the
4 relief requested in the Motion is in the best interests of the Debtor's estate, creditors, and other
5 parties in interest; this Court having found that the Debtor's Notice and opportunity for a hearing
6 on the Motion were appropriate under the circumstances and no other notice need be provided;
7 this Court having determined that the legal and factual bases set forth in the Motion establish just
8 cause for the relief granted herein; and after due deliberation and sufficient cause appearing
9 therefor,

10 **IT IS HEREBY ORDERED** that:

11 1. The Motion is granted, as provided herein.
12 2. Except as may otherwise be provided by orders of this Court authorizing the
13 retention of specific professionals, all Professionals may seek interim payment of compensation
14 and reimbursement of expenses in accordance with the following Interim Compensation
15 Procedures:

16 (a) On or before the 30th day of each calendar month, following the month for which
17 compensation is sought, each Professional seeking interim allowance of its fees and
18 expenses may file a monthly statement, which will include the relevant time entry
19 and description and expense detail, with the Court for interim allowance of
20 compensation for services rendered and reimbursement of expenses incurred during
21 the preceding month (a "**Monthly Fee Statement**"). Professionals may submit the
22 first Monthly Fee Statement(s), covering the period from the Petition Date through
23 January 31, 2025 (so long as no appeal of an order approving this Motion has been
taken), on or after entry of an order granting this Motion.

24 (b) Each Professional shall serve a copy of such Monthly Fee Statement on the following
25 parties (collectively, the "**Notice Parties**") with service via Notice of Electronic
26 Filing shall being sufficient:

27 (1) The Debtor, c/o Raines Feldman Littrell LLP, 3200 Park Center
28 Drive, Suite 250, Costa Mesa, California 92626 (Attn: Robert S.
Marticello (rmarticello@raineslaw.com) and Brian Weiss
(bweiss@force10partners.com));

(2) Counsel for the Debtor, Raines Feldman Littrell LLP, 3200 Park
Center Drive, Suite 250, Costa Mesa, California 92626 (Attn: Robert
S. Marticello (rmarticello@raineslaw.com));

(3) Office of the United States Trustee, 411 West Fourth St., Suite 7160, Santa Ana, CA 92701 (Attn: Queenie K Ng (queenie.k.ng@usdoj.gov)); and

(4) Counsel for PNC Bank, K&L Gates LLP, 10100 Santa Monica Blvd., 8th Floor, Los Angeles, CA 90067 (Attn: Michael B. Lubic (michael.lubic@klgates.com))

(c) Any Professional that fails to file a Monthly Fee Statement for a particular month or months may subsequently submit a consolidated Monthly Fee Statement that includes a request for compensation earned or expenses incurred during previous months. All Monthly Fee Statements will comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330* (the "**Fee Guidelines**").

(d) The deadline to object to any Monthly Fee Statement is 4:00 p.m. (prevailing Pacific Time) on the 10th day (or the next business day if such day is not a business day) following the date the Monthly Fee Statement is served (the "**Objection Deadline**").

(e) To object to a Professional's Monthly Fee Statement, the party must (i) file a written objection on or before the Objection Deadline and (ii) serve the objection upon the affected Professional and the Notice Parties on or before the Objection Deadline.

(f) Upon the expiration of the Objection Deadline, a Professional may file a declaration of service (a "**DOS**") with the Court with respect to any fees and expenses not subject to objection. The DOS must attest that (i) no timely written objection was served upon the Professional and Notice Parties on or before the Objection Deadline, and (ii) the declarant has checked the docket of the Case and no written objection was timely filed. After a Professional files a DOS, the Debtor will pay the Professional 80% of the fees and 100% of the expenses requested in the applicable Monthly Fee Statement that are not subject to an objection (subject to any restrictions related to use of cash collateral as authorized by the Court).

(g) If a portion of the fees and expenses requested in a Monthly Fee Statement is subject to an objection and the parties are unable to reach a consensual resolution, the Professional may (i) request the Court approve the amounts subject to objection or (ii) forego payment of such amounts until the next hearing to consider interim or final fee applications, at which time the Court will adjudicate any unresolved objections.

Interim Fee Applications

(h) At four-month intervals or such other intervals convenient to the Court, Professionals may file with the Court an application (an "**Interim Fee Application**") for interim approval and allowance of compensation and reimbursement of expenses sought by such Professional in its Monthly Fee Statements, including any holdbacks, filed during the preceding interim period (the "**Interim Fee Period**").

- 1 (i) The Interim Fee Application will include a brief description identifying the
2 following:
- 3 (1) the Monthly Fee Statements that are the subject of the request;
- 4 (2) the amount of fees and expenses requested;
- 5 (3) the amount of fees and expenses paid to date or subject to an
6 objection;
- 7 (4) the deadline for parties to file objections to the Interim Fee
8 Application ("**Additional Objections**"); and
- 9 (5) any other information requested by the Court or required by the
10 Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy
11 Rules, or the Fee Guidelines.
- 12 (j) Additional Objections to any Interim Fee Application will be filed in accordance
13 with the Local Bankruptcy Rules.
- 14 (k) Each Professional will properly serve its Interim Fee Application and final fee
15 application upon the Notice Parties. Each Professional will properly serve a notice
16 of hearing on its Interim Fee Application and final fee application on all parties that
17 have requested notice in this Chapter 11 Case pursuant to Bankruptcy Rule 2002.
18 The Debtor may serve an omnibus notice of hearing on the Interim Fee Applications
19 in lieu of separates notices of hearing. No further notice shall be necessary.
- 20 (l) The Debtor may request that the Court schedule a hearing on Interim Fee
21 Applications at least once every four months or at such other intervals as the Court
22 deems appropriate. If no Objections are pending and no Additional Objections are
23 timely filed, the Court may approve an Interim Fee Application without a hearing.
- 24 (m) A pending objection to compensation or reimbursement of any Professional does not
25 disqualify a Professional from future compensation or reimbursement.
- 26 (n) Any Professional that fails to file a Monthly Fee Statement or an Interim Fee
27 Application when permitted will not receive further interim compensation or
28 reimbursement until the Professional submits any outstanding Monthly Fee
Statements or such compensation is approved pursuant to an Interim Fee Application.
There are no other penalties for failing to file a Monthly Fee Statement or Interim
Fee Application.
- (o) Neither (i) the payment of, or the failure to pay, in whole or in part, any interim
compensation and reimbursement to a Professional nor (ii) the filing of, or failure to
file an objection, will bind any party in interest or the Court with respect to the final
allowance of any compensation of fees for services rendered or reimbursement of
expenses incurred. All fees and expenses paid to Professionals under these Interim
Compensation Procedures are subject to disgorgement until final allowance by the
Court.

1 (p) No Professional may serve a Monthly Fee Statement or file an Interim Fee
2 Application until the Court enters an order approving the retention of such
Professional pursuant to §§ 327 or 1103 of the Bankruptcy Code.

3 3. The Debtor shall include all payments to Professionals on its monthly operating
4 reports, detailed so as to state the amount paid to each Professional.

5 4. All time periods set forth in this Order shall be calculated in accordance with
6 Bankruptcy Rule 9006(a).

7 5. The Debtor shall serve a copy of this Order on each Professional.

8 6. Notice of hearings to consider Interim Fee Applications and final fee applications
9 shall be limited to the Notice Parties and any party who files a notice of appearance and requests
10 notice in the Chapter 11 Case.

11 7. Nothing contained in this Order or in the Motion is intended to be or shall be
12 construed as (a) an admission as to the validity of any claim against the Debtor, (b) a waiver of the
13 Debtor's or any appropriate party in interest's rights to dispute any claim, or (c) an approval or
14 assumption of any agreement, contract, program, policy, or lease under § 365 of the Bankruptcy
15 Code. Likewise, any payment made pursuant to this Order is not intended to be and shall not be
16 construed as an admission to the validity of any claim or a waiver of the Debtor's rights to dispute
17 such claim subsequently.

18 8. Notwithstanding entry of this Order, nothing herein shall create, nor is intended to
19 create, any rights in favor of, or enhance the status of any claim held by, any party.

20 9. The Debtor is authorized to take all steps necessary or appropriate to carry out this
21 Order.

22 10. This Court shall retain jurisdiction to hear and determine all matters arising from or
23 related to the implementation, interpretation, or enforcement of this Order.

24 ###

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

3200 Park Center Drive, Suite 250, Costa Mesa, CA 92626.

A true and correct copy of the foregoing document entitled (*specify*): **MOTION FOR AUTHORITY TO ESTABLISH PROCEDURES FOR INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS; MEMORANDUM OF POINTS AND AUTHORITIES; AND DECLARATION OF BRIAN WEISS IN SUPPORT THEREOF** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **1/28/2025**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) **1/28/2025**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) **1/28/2025**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

1/28/2025

Date

Ja'Nita Fisher

Printed Name

/s/ Ja'Nita Fisher

Signature

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Kenneth J Catanzarite kcatanzarite@catanzarite.com
- Marshall F Goldberg mgoldberg@glassgoldberg.com, jbailey@glassgoldberg.com
- Alan Craig Hochheiser ahochheiser@mauricewutscher.com, arodriguez@mauricewutscher.com
- Raffi Khatchadourian raffi@hemar-rousso.com
- Valery Lounber valloumlegal@gmail.com
- James MacLeod jmacleod@dunninglaw.com, nancy@dunninglaw.com
- Robert S Marticello rmarticello@raineslaw.com, bclark@raineslaw.com; jfisher@raineslaw.com
- David W. Meadows david@davidwmeadowslaw.com
- Queenie K Ng queenie.k.ng@usdoj.gov
- Estela O Pino epino@epinolaw.com, staff@epinolaw.com; clerk@epinolaw.com
- Amitkumar Sharma amit.sharma@aisinfo.com
- Thomas E Shuck tshuck@pmcos.com, efilings@pmcos.com
- Michael Simon msimon@raineslaw.com, bclark@raineslaw.com; jfisher@raineslaw.com
- Ahren A Tiller ahren.tiller@blc-sd.com, 4436097420@filings.docketbird.com; brett.bodie@blc-sd.com; anika@blc-sd.com; derek@blc-sd.com; kreyes@blc-sd.com; megan@blc-sd.com; nicole@blc-sd.com; danny@blc-sd.com; angie@blc-sd.com; kreyes@blc-sd.com
- United States Trustee (SA) ustpregion16.sa.ecf@usdoj.gov
- Sharon Z. Weiss sharon.weiss@bclplaw.com, raul.morales@bclplaw.com, REC_KM_ECF_SMO@bclplaw.com, sharon-weiss-7104@ecf.pacerpro.com
- Mandy Youngblood csbk@gmfinancial.com
- Roye Zur rzur@elkinskalt.com, TParizad@elkinskalt.com; lwageman@elkinskalt.com; 1648609420@filings.docketbird.com

2. SERVED BY UNITED STATES MAIL:

20 Largest creditors:

Amtrust Financial Services, Inc.
903 Nw 65Th St. Ste 300
Boca Raton, FL 33487

First Insurance Funding Corporation
450 Skokie Blvd Ste 1000
Northbrook, IL 60062-7917

Premium Assignment Corporation
dba IPFS
P.O. Box 412086
Kansas City, KA 64141-2086

Peerless Network
433 W. Van Buren
Suite 410S
Chicago, IL 60607

The Goodyear Tire And Rubber Co.
P.O. Box 277808

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

Atlanta, GA 30384-7808

Burtronics Business Systems
P.O. Box 11529
San Bernardino, CA 92423

Mobile Mini - William Scotsman
PO Box 91975
Chicago, IL 60693-1975

Marlin Lease Servicing/Peac
P.O. Box 13604
Philadelphia, PA 19101-3604

Vestis
2680 Palumbo Dr
Lexington, KY 40509

Pape Machinery
P.O. Box 35144
Seattle, WA 98124-5144

The Toll Roads
Violations Department
Irvine, CA 92619

Oklahoma Turnpike Authority
Plate-Pay
PO Box 11255
Oklahoma City, OK 73136

Fastrak Violation Processing Dept
PO Box 26925
San Francisco, CA 94126

Velocity Truck Center
Los Angeles Truck Centers, LLC
Pasadena, CA 91189-1284

Grainger
Dept. 887538815
Palatine, IL 60038-0001

Linebarger Goggan Blair & Sampson
4828 Loop Central Drive
Suite 600
Houston, TX 77081

Kansas Turnpike Authority
PO Box 802746
Kansas City, MO 64180

Florida Dept of Transportation
PO Box 31241
Tampa, FL 33631

City of Los Angeles
Parking Violations Bureau
PO Box 30420
Los Angeles, CA 90030

North Texas Tollway Authority
PO Box 660244
Dallas, TX 75266